

HOUSE FILE 2027
BY STECKMAN

A BILL FOR

1 An Act concerning the sales and use tax imposed on the
2 operation of bingo games.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 423.2, subsection 4, paragraph b, Code
2 2009, is amended to read as follows:

3 b. The tax imposed under this subsection covers the total
4 amount from the operation of games of skill, games of chance,
5 and raffles, and bingo games as defined in chapter 99B, card
6 game tournaments conducted under section 99B.7B, and musical
7 devices, weighing machines, shooting galleries, billiard and
8 pool tables, bowling alleys, pinball machines, slot-operated
9 devices selling merchandise not subject to the general sales
10 taxes, the total amount less amounts disbursed to charitable
11 purposes as required by section 99B.7, subsection 3, paragraphs
12 "b" and "c", from the operation of bingo games as defined in
13 chapter 99B, and on the total amount from devices or systems
14 where prizes are in any manner awarded to patrons and upon the
15 receipts from fees charged for participation in any game or
16 other form of amusement, and generally upon the sales price
17 from any source of amusement operated for profit, not specified
18 in this section, and upon the sales price from which tax is
19 not collected for tickets or admission, but tax shall not be
20 imposed upon any activity exempt from sales tax under section
21 423.3, subsection 78. Every person receiving any sales price
22 from the sources described in this section is subject to all
23 provisions of this subchapter relating to retail sales tax and
24 other provisions of this chapter as applicable.

25

EXPLANATION

26 This bill provides that the sales and use tax imposed on the
27 operation of bingo games shall be on the gross amount less the
28 amounts disbursed for charitable purposes. Current law imposes
29 the tax on the gross amount derived from the bingo games.